98TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { 98–654

AUTHORIZATION OF APPROPRIATIONS FOR THE U.S. INTERNATIONAL TRADE COMMISSION, CUSTOMS SERVICE, AND TRADE REPRESENTATIVE FOR FISCAL YEAR 1985

APRIL 5, 1984.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. ROSTENKOWSKI, from the Committee on Ways and Means, submitted the following

REPORT

[To accompany H.R. 5188]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 5188) to authorize appropriations for the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1985, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 2, line 12, strike out "$642,405,000" and insert in lieu thereof "$686,399,000".

Page 2, line 14, strike out "$17,070,000" and insert in lieu thereof "$28,070,000".

Page 2, line 17, strike out "program." and insert "program and any related program designed to enforce or monitor export controls under the Export Administration Act of 1979.".

Page 2, line 23, strike out "October 31," and insert "September 30,".

Page 3, strike out lines 5 through 12, inclusive, and insert the following:

> (b) ELIMINATION OF SURETIES ON CUSTOMS BONDS.—(1) The Commissioner of Customs may not publish nor take any other action to give force and effect to, any final rule that would revise any provision in 19 CFR part 113 or section 142.4 (as in effect on March 1, 1984) relating to the requirement for sureties on customs bonds—
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> (A) unless the Commissioner submits to the Committee on Ways and Means of the House of Representa-

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tives and the Committee on Finance of the Senate, on the same day, a report containing—

(i) the text of the draft final rule;

(ii) an analysis of the revenue impact of the rule;

(iii) a regulatory impact analysis;

(iv) the estimated cost benefit of the rule to the Customs Service and to the importing community, and an explanation in support of those estimates; and

(v) a justification for each revision to be effected by the rule; and

(B) until the close of the first period of 90 calendar days of continuous session of Congress occurring after the date on which the report is submitted under subparagraph (A).

Page 3, strike out line 21 and all that follows down through line 5 on page 4.

Page 4, between lines 5 and 6 insert the following:

(c) DISCLOSURE OF MANIFEST INFORMATION.—Section 431 of the Tariff Act of 1930 (19 U.S.C. 1431) is amended—

(1) by striking out the period at the end of the paragraph designated as "Third" in subsection (a) and inserting in lieu thereof "; and the names of the shippers of such merchandise."; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Except as provided in subparagraph (2), the following information, when contained in such manifest, shall be available for public disclosure:

"(A) The name and address of each importer or consignee, the marks and numbers on the import containers, and the name and address of the shipper to such importer or consignee, unless the importer or consignee has made a biennial certification, in accordance with procedures adopted by the Secretary of the Treasury, claiming confidential treatment of such information.

"(B) The general character of the cargo.

"(C) The number of packages and gross weight.

"(D) The name of the vessel or carrier.

"(E) The port of loading.

"(F) The port of discharge.

"(G) The country of origin of the shipment.

"(2) The information listed in paragraph (1) shall not be available for public disclosure if—

"(A) the Secretary of the Treasury makes an affirmative finding on a shipment-by-shipment basis that disclosure is likely to pose a threat of personal injury or property damage; or

"(B) the information is except under the provisions of section 552(b)(1) of title 5 of the United States Code.

"(3) The Secretary of the Treasury, in order to allow for the timely dissemination and publication of the information listed in paragraph (1), shall establish procedures to provide access to manifests. Such procedures shall include provisions for adequate protection against the public disclosure of information not available for public disclosure from such manifests.".

Page 4, line 10, strike out "$11,000,000" and insert "$11,100,000".
Page 4, line 13, strike out "$60,000" and insert "$65,000".

Purposes and Summary

H.R. 5188, as amended and ordered reported by the Committee on Ways and Means, combines three separate agency authorizations under the jurisdiction of the Committee, and makes certain changes in customs procedures.

Section 1 of the bill authorizes appropriations of $28,410,000 for the U.S. International Trade Commission (ITC) for fiscal year 1985, the amount requested by the ITC, and authorizes use of funds for rental of conference space in the District of Columbia and minimal representation expenses.

Section 2 of the bill, as amended, authorizes $686,399,000 in appropriations for the U.S. Customs Service for fiscal year 1985. The Committee adopted an amendment to increase the authorization level to fund new customs positions and to provide additional funds for the air program. The amendment increases by $44 million the authorization level in H.R. 5188 as introduced and increases by $84 million the amount requested for Customs in the Administration's budget. The amended authorization figure includes $28,070,000 for the operation and maintenance of the Customs Air Interdiction Program. Section 2, as amended, also limits to $11 million the amount of authorized funds which Customs may expend for the implementation of Operation EXODUS and related export control programs. The bill places a $25,000 annual "cap" on the amount that customs inspectors can earn in overtime pay.

The Committee adopted an amendment to preclude any proposed final rule revising or eliminating sureties on customs bonds from taking effect until 90 calendar days after Customs' submission of a report to Congress. The Committee also adopted an amendment to provide for public disclosure of certain import manifest information.

Section 3 of the bill authorizes $14,179,000 for the U.S. Trade Representative (USTR) for fiscal year 1985, the amount requested by the agency.

Committee Action

The Subcommittee on Trade held hearings on February 7, 1984, on the authorization of appropriations for and oversight of the U.S. International Trade Commission, U.S. Customs Service, and U.S. Trade Representative. Testimony was received from representatives of each of the three agencies and from public witnesses.

H.R. 5188 was introduced on March 20, 1984. On March 22, the Subcommittee on Trade by voice vote ordered H.R. 5188 reported favorably to the full Committee with amendments.

On April 3, the Committee on Ways and Means ordered H.R. 5188 reported favorably by voice vote with amendments.

Section-by-Section Analysis, Justification, and Comparison With Present Law

INTERNATIONAL TRADE COMMISSION

The Trade Act of 1974 (Public Law 93–618) provides that the estimated expenditures and proposed appropriations for the International Trade Commission shall be included in the budget submitted by the President to the Congress without revision and amended section 330 of the Tariff Act of 1930 to require that that annual authorization of appropriations for the Commission be established by law.

Because of the unique role of the Commission as a quasijudicial and independent agency designed to provide trade expertise to both legislative and executive branches of Government, the Congress provided that the budget of the ITC would not be subject to control by the Office of Management and Budget, but would instead be submitted directly to the Congress. The Committee believes that this budgetary independence has been useful in insuring the independence and objectivity of the Commission.

Authorization of appropriations

Section 1 of H.R. 5188 amends paragraph (2) of section 330(c) of the Tariff Act of 1930 to authorize an appropriation of $28,410,000 to the ITC for fiscal year 1985. This is the amount requested by the ITC. Section 1 also provides two new authorities not included in existing law for the Commission (1) to expend funds for rental of conference rooms in the District of Columbia and elsewhere as necessary; and (2) to use up to a maximum of $2,500, subject to approval by the Chairman of the Commission, for reception and entertainment expenses. The funds which may be use for these purposes are included in the $28,410,000 total authorization for the Commission in fiscal year 1985.

The amount authorized by section 1 is $6,372,000 more than the amount appropriated for fiscal year 1984, assuming enactment of the fiscal year 1984 pay increase supplemental appropriation. More than 50 percent, or $3,522,000, of the increase requested is needed for the planned relocation and consolidation of the Commission in compliance with legislation pending before the Congress. The remainder of the increase is necessary to meet required nondiscretionary cost increases, and to provide for an additional 44 full-time permanent positions to strengthen the Commission's ability to carry out its statutory responsibilities. The additional staff would increase the Commission's authorized level from 438 to 482 permanent positions.

After careful review, the Committee supports the Commission's budget request. The Commission's crucial role in deciding import relief matters and rendering recommendations to the President is of critical importance to the operation of a transparent, fair, and effective trade policy. In addition, the Commission's responsibility under the Trade

Agreements Act of 1979 to examine and decide injury questions in antidumping and countervailing duty cases has resulted in a dramatic increase in caseload. These functions are essential in maintaining an effective regime over injurious import competition and unfair trade practices. Finally, the number and variety of requests from Congress for special studies and other fact-finding and technical services has steadily increased. These studies are of paramount concern to this Committee, since they address special trade problems or issues relevant to pending or anticipated legislation.

The increase in statutory investigations has been as follows:

Fiscal year:	Caseload	Authorized positions
1981	146	438
1982	[1] 340	438
1983	266	438
1984	[2] 283	438

[1] Includes 92 carbon steel cases which could be packaged for investigative purposes.
[2] Estimate.

The caseload is expected to total 294 in fiscal year 1985, or double the caseload in fiscal year 1981. Given the importance of the Commission's activities to domestic industries, labor, and the Congress, the Committee believes the requested increase in personnel is fully justified and essential to enable the Commission to handle its increasing workload effectively. The Commission's past budget requests have been reasonable and have necessitated handling its expanding activities with greater and greater efficiency and continual administrative improvements to reduce costs.

The Commission is currently housed in three separate office buildings in Washington, D.C. Legislation is now pending which would transfer the Commission's headquarters building to the Smithsonian Institution. In anticipation of this relocation, the authorization includes funds for increased space rental cost and various other relocation expenses which the Commission must cover. Provision of authority allowing the Commission to rent conference or heaaring space in the District of Columbia for a short period if necessary could be particularly useful during the relocation process. The Commission currently may rent such space outside District boundaries.

The Committee also believes that provision of authority for the Commission to use a minimal amount of funds, subject to the Chairman's approval, for representation purposes is fully justified and appropriate to the agency's functions. Currently, minor reception and entertainment expenses associated with such events as special briefings for Members of Congress or foreign government officials are being borne by donations from individual Commissioners and senior staff.

U.S. CUSTOMS SERVICE

Authorization of appropriations

The Customs Procedural Reform and Simplification Act of 1978 (Public Law 95-410) provides for the annual authorization of appropriations for the U.S. Customs Service. Section 2(a) of H.R. 5188,

as amended by the Committee, amends section 301(b) of that Act to authorize appropriations of $686,399,000 for the U.S. Customs Service in fiscal year 1985. This increases by about $84 million the amount requested for Customs by the Administration. The Customs Service submitted a consolidated authorization request of $602,405,000, which included $585,335,000 for salaries and expenses and $17,070,000 for operations and maintenance for the Customs air program. The Administration's request proposed cuts of about 954 Customs positions, as well as cuts in other services.

The bill, as introduced, provided a fiscal year 1985 Customs budget of $642,405,000, an amount $40 million higher than the Administration's request. However, the Committee adjusted the base of salaries and expenses to $631,399,000 during markup to more accurately reflect the amount required to maintain current levels of service and to fund program enhancements. The new base is a net figure representing an increase of $34 million estimated by the Congressional Budget Office as the amount that would be necessary to maintain current operating levels in fiscal year 1985 plus $16,994,000 million for program enhancements, and a reduction of $5 million in the $16 million requested for the Operation EXODUS program. Thus, the new consolidated authorization base, including air program expenses, is $648,399,000.

New customs personnel.—The Committee amended the bill, as introduced, to increase the authorization level to $686,339,000 to provide funds for new Customs personnel and to maintain current levels of services in the Customs air program. In particular, this increase is intended to fund about 650 new positions including some 450 customs inspectors, 150 import specialists, and 50 customs patrol officers. The Committee believes the additional amount is necessary because of the continually growing workload of passengers and cargo, and because the threat of narcotics smuggling continues to grow. Further, the growing importance of commercial fraud work requires more resources. In allocating the new personnel, the Commissioner of Customs should consider those port facilities evidencing high potential growth in trade activity. The Commissioner is also urged to continue to monitor and identify high growth ports to insure that sufficient manpower is available for administering the customs laws.

Customs air interdiction program.—The Committee is concerned that sufficient funds will be available in fiscal year 1985 to maintain and operate the Customs air program. This program is a vital defense in the interdiction of narcotics and contraband smuggling. The Customs budget request of $17,070,000 for the operation and maintenance of the air program assumed that an additional $11 million would be provided by the Department of Defense for maintenance and fuel costs for aircraft and equipment in fiscal year 1985. Since it now appears that the Department of Defense will not be funding this amount, the Committee amendment increasing the authorization level included $11 million for this purpose. Thus, the total amount authorized by the Committee for the air program for fiscal year 1985 is $28,070,000 and is set forth in section 2(a) of the bill, as amended.

Operation EXODUS.—As was the case in last year's authorization, the Committee limited the maximum funding for Operation EXODUS. Section 2(a) of the bill provides that the maximum

amount to be spent in fiscal year 1985 for Operation EXODUS and other export control programs is $11 million. This is a reduction from the $31 million appropriated for Operation EXODUS in fiscal year 1984. The President's request for this program in fiscal year 1985 was $16 million, representing a reduction of $10 million in non-recurring costs in addition to an internal assessment that costs would be $5 million less in the next fiscal year. The Committee made a further cut of $5 million in the belief that a total of $11 million is consistent with the amount traditionally authorized for Operation EXODUS and will be sufficient to operate an effective program in conjunction with other agencies having jurisdiction over the administration and enforcement of export control laws.

For fiscal year 1985, the Committee clarified that under the $11 million expenditure ceiling for Operation EXODUS other programs designed to enforce or monitor export controls are to be included. One such program would be RAMPARTS, a new program in the preliminary stages of development designed to complement enforcement efforts under Operation EXODUS. The Committee intends that all export control programs be coordinated and integrated and that they be subject to the limitation on expenditures.

Under existing law, the Department of Commerce and the Department of Defense have primary jurisdiction over the administration and enforcement of export control laws. Other agencies, such as the Customs Service and the Drug Enforcement Agency, contribute to this effort in the areas of monitoring, investigation, and enforcement. The Committee's investigations continue to reveal many deficiencies in the administration and enforcement of export control laws that have caused undue hardship, including loss of legitimate sales, for U.S. exporters.

Complaints with respect to enforcement activities of Operation EXODUS have centered on the excessive number of detentions of shipments that subsequently were not in violation of export control laws or were minor, inadvertent errors. Such detentions have resulted in costly delays and even loss of sales for U.S. exporters who have conducted, or believed they conducted, their business in complete compliance with the law. The Committee expects that the Customs Service will continue to review its process for detecting and investigating export control violations in order to achieve a more selective and effective system, will work with exporters to insure compliance with the laws before detentions become necessary, and will better coordinate its role with the Department of Commerce in order to eliminate duplicative functions. Efforts should be focused on methods that result in a high percentage of prosecutions of actual export violations rather than a random approach that disrupts legitimate trade and otherwise adversely affects American exporters.

The Committee believes that the funds authorized will permit the Customs Service to maintain effective export controls programs, including EXODUS and RAMPARTS, and encourages Customs to continue to coordinate its functions in the export control area with those of other agencies so that the illegal transfer of technology can be stopped without the disruption of legitimate U.S. exports.

Overtime pay cap.—Section 2(a) of the bill amends section 301 of the Customs Procedural Reform and Simplification Act of 1978 by inserting a new section (d) to impose a $25,000 limitation on the amount that individual customs inspectors can earn in overtime pay each year. The provision further provides that the Commissioner of Customs can waive the cap in selective circumstances in order to prevent excessive costs or to meet emergency requirements of the Service.

The Customs authorization bill for fiscal year 1983 (Public Law 97–456), enacted on January 12, 1983, was silent on the issue. Presently, the Customs Service is operating under the provisions of the Continuing Resolution (Public Law 98–151) for fiscal year 1984 which contains identical language regarding the overtime limitation. However, the resolution expires on September 30, 1984. The Committee believes this limitation and the Commission's waiver authority to be reasonable and believes the cap should be maintained. The Commissioner is directed, however, to report quarterly to the Committee on Ways and Means on the number of instances in which he found it necessary to waive the cap, including the dates, locations, and amounts of such cases.

Elimination of sureties on customs bonds

Section 2(b) of the bill as introduced provided that a final rule eliminating sureties on customs bonds could not take effect until 90 days after it was published and Customs was required to submit a report to the Congress on the date of publication. The Committee amended section 2(b) of the bill as introduced to require that both the House Committee on Ways and Means and the Senate Committee on Finance be informed before the Customs Service publishes a final rule revising any existing requirement for sureties on customs bonds set forth in 19 CFR part 113 and section 142.4. More specifically, the section directs the Commissioner of Customs to submit to the Committees a report containing (a) the text of the draft final rule; (b) an analysis of the revenue impact of the proposed revision; (c) a regulatory impact analysis; (d) the estimated cost benefit of the proposed revision to the Customs Service and to the importing community and an explanation supporting those estimates; and (e) a justification of any revision. Only after 90 calendar days of continuous session of Congress has passed after submission of such a rule and report to the Committees may Customs publish the final rule in the Federal Register.

For purposes of this section, continuous session of Congress would be broken only by an adjournment of the Congress sine die. However, the days when either House of Congress is not in session because of an adjournment of more than three days to a date certain would be excluded in the computation of the 90-day period. Thus, the effective period from notification to publication of the final rule may well exceed 90 calendar days.

The purpose of the amendment is to give the Committee on Ways and Means sufficient opportunity to study any proposed revision in the existing Customs regulations which would revise or eliminate the requirement for sureties on customs bonds before it takes effect. This sec-

tion is not intended, however, to stop the administrative rulemaking process already begun by Customs with the publication of an advance notice of proposed rulemaking in the Federal Register on October 14, 1983. The Committee urges Customs to continue this process of gathering information and discussing its proposals concerning the modification of existing requirements for sureties on customs bonds with all segments of the trade community, including importers, customs brokers, and surety companies. Customs may also choose to formulate a proposed rule and publish it in the Federal Register for public comment. It may not, however, publish a final rule until all the requirements of this section are satisfied.

The Committee is concerned that changes in the existing requirement for sureties on customs bonds could have an impact on the amount of revenue in duties and taxes that flows into the U.S. Treasury. The Committee notes that customs sureties have historically been an integral part of the import process and have been helpful to the Customs Service in guaranteeing that all customs duties are paid and that all import laws and regulations are complied with.

Under present regulations, when imported merchandise arrives in the United States, the importer or his agent is required to file with Customs a bond executed by an approved corporate surety company as part of his entry documentation, thereby allowing the immediate release of the merchandise. The bond, among other things, guarantees that proper entry with payment of estimated duties and taxes when due will be made and that any additional duties and taxes subsequently found to be due will be paid. The bond also guarantees redelivery of imported merchandise to Customs' custody for examination or inspection if found not to comply with applicable laws and regulations. Currently, bonds are required for virtually all commercial customs transactions and a surety is required in each cast that a bond is required. Under the surety contract, for which the importer pays a fee or a premium to the surety company, the surety company guarantees to Customs that the importer will fulfill all of the conditions of the bond. If the importer fails to honor any condition of the bond, the surety company can be compelled to do so in his place.

Disclosure of manifest information

The Committee amended section 2 of H.R. 5188, as introduced, by adding a provision for public disclosure of certain import manifest information, which is substantially identical to secton 2(c) of H.R. 2602, the authorization bill for fiscal year 1984. Section 2(c) amends section 431 of the Tariff Act of 1930 to improve public access to certain information about imports coming into the United States, while providing methods of protecting claims of business confidentiality and other sensitive information.

The purpose of the amendment is to improve the United States competitive position in world trade by providing better access to import information. Fuller disclosure of this information can benefit U.S. firms, trade authorities, and U.S. ports in planning and marketing of their goods and services. U.S. carriers, U.S. manufacturers, U.S. land-based transportation companies, port authorities, and government agencies will be able to use the expanded information base to determine

where and when to allocate equipment and to identify expanding or contracting markets and bases for long-range planning and improving services. It will also enable them to identify and contact potential customers.

This amendment requires the Customs Service to adopt similar practices regarding disclosure of import information as it now must follow for export information as mandated in Public Law 96–275.

Current law requires that the master of every vessel arriving in the United States have on board his vessel a manifest which provides such detailed information on the shipment as the name of the port of discharge, the port of loading, a description of all merchandise on board, and the name of the importer.

Current practices of the Customs Service limit public availability to some of the manifest information, such as the foreign shipper of cargo coming into the United States. Moreover, the Customs Service automatically honors requests by an importer even if the confidentiality request was submitted 40 or 50 years ago. These requests do not have to be renewed.

The amendment changes current law in terms of what has to be on a manifest in only one respect—it adds the names of the shippers of the merchandise. As a practical matter, this amendment will not require any change in current practices. The name of the shipper is already routinely included on the import manifest and the Committee simply intends that this current practice be continued. The amendment merely formalizes the requirement that the name be included on the manifest. This amendment also spells out what information will be available for public disclosure from the import manifest when contained in such manifest, including the name and address of each importer or consignee, the marks and numbers on the import containers, the name and address of the shipper, the general character of the cargo, and number of packages and gross weight, the name of the vessel or carrier, port of loading, port of discharge, and country of origin of the shipment.

The country of origin of the shipment means the country from which the merchandise was first shipped in the import transaction. For example, if cotton goods were shipped to the U.S. via Rotterdam from a manufacturing plant in India, the country of origin of the shipment would be India. However, if goods manufactured in the U.S. were returned to the U.S. from a German Federal Republic company via Rotterdam, the country of origin of the shipment will be the Federal Republic of Germany. In most instances, the country of origin of the shipment will be the country of the shipper.

The amendment further provides that the name and address of the importer and the shipper and the marks and numbers on import containers shall be available for disclosure unless the importer files a biennial certification with the Secretary of the Treasury requesting that such information be withheld and certifies that such information is confidential. A certification by an importer may cover both itself and shipper to it. The purpose of this biennial certification together with the specific description of what is to be disclosed is to provide a means of protecting claims of business confidential information.

The amendment allows the exclusion from public disclosure of the marks and numbers on import containers in addition to the importer's and shipper's names and addresses when a certification requesting that such information not be disclosed, because frequently the disclosure of such marks and numbers would reveal the importer's and/or shipper's names.

The Secretary is directed to issue implementing regulations under this section to provide for disclosure of the relevant information and to ensure timely access by publication to such information. It is the Committee's intent that new regulations be expeditiously issued.

The amendment also provides that any of the items described above will not be disclosed if they are classified as defense or foreign policy information pursuant to 5 U.S.C. 552(b)(1).

The Secretary of the Treasury is required to establish procedures to ensure timely access by publications to all manifests to provide for the timely publication of the information permitted to be published by this section. The procedures shall provide a means of protecting against public disclosure of information not otherwise available for disclosure.

Consolidation of border inspection activities

The Committee has for some time been concerned about duplication of functions in the processing of incoming passengers (Customs Service, Immigration and Naturalization Service (INS), and the Department of Agriculture) and has urged Customs and the Administration to move expeditiously to consider proposals to consolidate the Federal border inspection functions. The Committee was therefore pleased to learn of the current Administration proposal to consolidate the primary inspection and land patrol functions of the INS and the U.S. Customs Service. If properly implemented, such a consolidation should improve passenger clearance and reduce paperwork, streamline processing, strengthen law enforcement, and provide budgetary savings.

The Committee will be carefully monitoring the implementation of this consolidation, however, to verify that the processing of commercial shipments will not be affected. It is expected that Customs would continue to have primary responsibility for the inspection and clearance of commercial importations at all ports and that import specialists will continue to be involved in the appraisement and classification of all commercial shipments.

OFFICE OF THE U.S. TRADE REPRESENTATIVE

Authorization of appropriations

Section 3 of H.R. 5188 amends section 141(f)(1) of the Trade Act of 1974 to provide an authorization of appropriations for fiscal year 1985 of $14,179,000 for the Office of the U.S. Trade Representative. Of this amount, a maximum of $68,000 may be used for official entertainment and representation expenses. Current law provides a permanent authorization of appropriations for each fiscal year beginning in fiscal year 1983 for salary increases provided under the Federal Pay Comparability Act of 1970.

The authorization level for fiscal year 1985 represents an increase of $2,680,000 above the fiscal year 1984 appropriation level of $11,499,000, assuming enactment of the supplemental appropriation including $128,000 for pay increases. The authorization includes $68,000 for representation, an $8,000 increase from fiscal year 1984.

Of the $2,680,000 requested increase, $1,534,000 represents input by USTR as lead agency into an interagency work program on the Harmonized Code System (HCS), a new international uniform tariff and statistical nomenclature that would replace the Tariff Schedules of the United States if the United States decides to adopt the system and the Congress passes the necessary implementing legislation. Since changes in some U.S. and foreign rates of duty would result from conversion to the new HCS, extensive GATT tariff renegotiations are anticipated to restore the balance of obligations previously negotiated. A supplemental increase of $511,000 will be requested in fiscal year 1984 for this activity. The authorization requested for this activity in fiscal year 1985 includes transport and relocation costs for 7–8 staff to Geneva to conduct the tariff negotiations. Other costs include computerized data support, analysis, and interagency coordination.

The fiscal year 1985 authorization also includes funds for one additional agency staff position to work on the HCS, increasing the level from 137 to 138 in terms of full-time work years or from 121 to 122 in terms of full-time permanent positions. Six permanent positions are located in the USTR Mission in Geneva, Switzerland, which is responsible for U.S. representation to the General Agreement on Tariffs and Trade (GATT).

The remaining increase of $1,146,000 in funds authorized for fiscal year 1985 is to maintain the current USTR operating level covering uncontrollable rising costs, primarily for rent, communication and utility charges, and printing.

Vote on Committee in Reporting the Bill

In compliance with clause 2(l)(2)(B) of rule XI of the Rules of the House of Representatives, the following statement is made relative to the vote of the Committee in reporting the bill. H.R. 5188 was by voice vote ordered favorably reported by the Committee with amendments.

Oversight Findings

Pursuant to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, the Committee makes the following findings:

The Committee, based on the oversight activities of the Subcommittee on Trade, has concluded that changes, other than those included in the legislation, in the organization of the ITC, Customs Service, and USTR are not necessary at this time.

In regard to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, no oversight findings or recommendations have been submitted to the Committee by the Committee on Government Operations with respect to the subject matter contained in the bill.

Budgetary Authority and Cost Estimates, Including Estimates of the Congressional Budget Office

In compliance with clause 7(a) of rule XIII and with clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives, the Committee states that H.R. 5188 would provide new budgetary authority for the International Trade Commission in the amount of $28,410,000, for the Customs Service in the amount of $686,399,000, and for the U.S. Trade Representative in the amount of $14,179,000 for fiscal year 1985. The Committee states that there are no tax expenditures or new budgetary authority providing financial assistance to State and local governments in the bill.

In compliance with clause 7(a) of rule XIII and with clauses 2(l)(3)(B) and (C) of rule XI of the Rules of the House of Representatives, the Committee provides below information furnished by the Congressional Budget Office on H.R. 5188 and required to be included herein.

U.S. Congress,
Congressional Budget Office,
Washington, D.C., April 4, 1984.

Hon. Dan Rostenkowski,
Chairman, Committee on Ways and Means,
U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for H.R. 5188, a bill to authorize appropriations for the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1985, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

Rudolph G. Penner.

Congressional Budget Office—Cost Estimate

April 4, 1984.

1. Bill number: H.R. 5188.
2. Bill title: A bill to authorize appropriations for the United States Internationa Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1985, and for other purposes.
3. Bill status: As ordered reported by the House Committee on Ways and Means, April 3, 1984.
4. Bill purpose: H.R. 5188 authorizes fiscal year 1985 appropriations of $28,410,000 for the International Trade Commission (ITC), $14,179,000 for the Office of the United States Trade Representative (OUSTR), and $686,399,000 for the salaries and expenses of the United States Customs Service (USCS), including $28,070,000 for the air interdiction program. In addition, the bill establishes procedures for Congressional review of proposed revisions in the requirements

for sureties on customs bonds and provides for public disclosure of certain import manifest information.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1985	1986	1987	1988	1989
Authorization level:					
ITC (function 150)	28.4	.....	.....	.....	.....
OUSTR (function 800)	14.2	.....	.....	.....	.....
USCS (function 750)	686.4	.....	.....	.....	.....
Total	729.0	.....	.....	.....	.....
Estimated outlays:					
ITC (function 150)	26.2	1.7	0.5	.....	.....
OUSTR (function 800)	13.0	1.2	.....	.....	.....
USCS (function 750)	622.2	64.2	.....	.....	.....
Total	661.4	67.1	.5	.....	.....

Basis of estimate: This estimate assumes that all funds authorized will be appropriate prior to the beginning of fiscal year 1985. Estimated outlays are based on historical spending patterns of the agencies.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: On March 28, 1984, the Congressional Budget Office prepared a cost estimate for H.R. 5188, as ordered reported by the Subcommittee on Trade. That version of the bill authorized $693.4 million for the Customs Service, $7 million more than is authorized by the full committee bill.

9. Estimate prepared by: Mary Ann Curtin, Lloyd Bernard, and Carla Kruytbosch.

10. Estimate approved by:

JAMES L. BLUM,
Assistant Director for Budget Analysis.

INFLATIONARY IMPACT

With respect to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee states that H.R. 5188 as amended would not have any inflationary impact on prices and costs in the operation of the general economy.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TARIFF ACT OF 1930

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TITLE III—SPECIAL PROVISIONS

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Part II—United States Tariff Commission

SEC. 330. ORGANIZATION OF THE COMMISSION.

(a) MEMBERSHIP.— * * *

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(e) AUTHORIZATION OF APPROPRIATIONS.—(1) For the fiscal year beginning October 1, 1976, and each fiscal year thereafter, there are authorized to be appropriated to the Commission only such sums as may hereafter be provided by law.

(2) [There are authorized to be appropriated to the Commission for necessary expenses for fiscal year 1983 not to exceed $19,737,000.] *There are authorized to be appropriated to the Commission for necessary expenses (including the rental of conference rooms in the District of Columbia and elsewhere) for fiscal year 1985 not to exceed $28,410,000; of which not to exceed $2,500 may be used, subject to approval by the Chairman of the Commission, for reception and entertainment expenses.* No part of any sum that is appropriated under the authority of this paragraph may be used by the Commission for the making of any special study, investigation, or report that is requested by any agency of the executive branch unless that agency reimbures the Commission for the cost thereof.

(3) There are authorized to be appropriated to the Commission for each fiscal year after September 30, 1977, in addition to any other amount authorized to be appropriated for such fiscal year, such sums as may be necessary for increases authorized by law in salary, pay, retirement, and other employee benefits.

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TITLE IV—ADMINISTRATIVE PROVISIONS

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Part II—Report, Entry, and Unlading of Vessels and Vehicles

SEC. 431. (a) MANIFEST—REQUIREMENT, FORM, AND CONTENTS.

The master of every vessel arriving in the United States and required to make entry shall have on board his vessel a manifest in a form to be prescribed by the Secretary of the Treasury and signed by such master under oath as to the truth of the statements therein contained. Such manifest shall contain:

First. The names of the ports or places at which the merchandise was taken on board and the ports of entry of the United States for which the same is destined, particularly describing the merchandise destined to each such port: *Provided*, That the master of any vessel laden exclusively with coal, sugar, salt, nitrates, hides, dyewoods, wool, or other merchandise in bulk consigned to one owner and arriving at a port for orders, may destine such cargo "for orders," and within fifteen days thereafter, but before the

unlading of any part of the cargo such manifest may be amended by the master by designating the port or ports of discharge of such cargo, and in the event of failure to amend the manifest within the time permitted such cargo must be discharged at the port at which the vessel arrived and entered.

Second. The name, description, and build of the vessel, the true measure or tonnage thereof, the port to which such vessel belongs, and the name of the master of such vessel.

Third. A detailed account of all merchandise on board such vessel, with the marks and numbers of each package, and the number and description of the packages according to their usual name or denomination, such as barrel, keg, hogshead, case, or bag; *and the names of the shippers of such merchandise.*

* * * * * * *

(c)(1) Except as provided in subparagraph (2), the following information, when contained in such manifest, shall be available for public disclosure:

(A) The name and address of each importer or consignee, the marks and numbers on the import containers, and the name and address of the shipper to such importer or consignee, unless the importer or consignee has made a biennial certification, in accordance with procedures adopted by the Secretary of the Treasury, claiming confidential treatment of such information.

(B) The general character of the cargo.

(C) The number of packages and gross weight.

(D) The name of the vessel or carrier.

(E) The port of loading.

(F) The port of discharge.

(G) The country of origin of the shipment.

(2) The information listed in paragraph (1) shall not be available for public disclosure if—

(A) the Secretary of the Treasury makes an affirmative finding on a shipment-by-shipment basis that disclosure is likely to pose a threat of personal injury or property damage; or

(B) the information is exempt under the provisions of section 552(b)(1) of title 5 of the United States Code.

(3) The Secretary of the Treasury, in order to allow for the timely dissemination and publication of the information listed in paragraph (1), shall establish procedures to provide access to manifests. Such procedures shall include provisions for adequate protection against the public disclosure of information not available for public disclosure from such manifests.

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SECTION 301 OF THE CUSTOMS PROCEDURAL REFORM AND SIMPLIFICATION ACT OF 1978

SEC. 301. (a) For the fiscal year beginning October 1, 1979, and each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for the United States Customs Service only such sums as may hereafter be authorized by law.

[(b) There are authorized to be appropriated to the Department of the Treasury not to exceed $564,224,000 for the salaries and expenses of the United States Customs Service for fiscal year 1983, of which not to exceed $31,464,000 is for salaries and expenses for the enforcement of the alcohol and tobacco revenue laws.]

(b) There are authorized to be appropriated to the Department of the Treasury not to exceed $686,399,000 for the salaries and expenses of the United States Customs Service for fiscal year 1985; of which (A) $28,070,000 is for the operation and maintenance of the air interdiction program of the Service, and (B) not to exceed $11,000,000 is for the implementation of the "Operation EXODUS" program and any related program designed to enforce or monitor export controls under the Export Administration Act of 1979.

(c) No part of any sum that is appropriated under the authority of subsection (b) may be used to implement any procedure relating to the time of collection of estimated duties that shortens the maximum 10-day deferment procedure in effect on January 1, 1981.

(d) No part of any sum that is appropriated under subsection (b) for fiscal years after September 30, 1984, may be used for administrative expenses to pay any employee of the United States Customs Service overtime pay in an amount exceeding $25,000; except that the Commissioner of Customs or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service.

[(d)] *(e)* For the fiscal year beginning October 1, 1982, and for each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for salaries of the United States Customs Service such additional sums as may be provided by law to reflect pay rate changes made in accordance with the Federal Pay Comparability Act of 1970.

Section 141 of The Trade Act of 1974

SEC. 141. OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE.

(a) There is established within the Executive Office of the President the Office of the United States Trade Representative (hereinafter in this section referred to as the "Office").

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(f)(1) There are authorized to be appropriated to the Office for the purpose of carrying out its functions [$11,100,000 for fiscal year 1983] *$14,179,000 for fiscal year 1985;* of which not to exceed [$65,000] *$68,000* may be used for entertainment and representation expenses.

(2) For the fiscal year beginning October 1, 1982, and for each fiscal year thereafter, there are authorized to be appropriated to the Office for the salaries of its officers and employees such additional sums as may be provided by law to reflect pay rate changes made in accordance with the Federal Pay Comparability Act of 1970.

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